

REPORT FROM

OFFICE OF THE CITY ADMINISTRATIVE OFFICER

Date: April 5, 2012

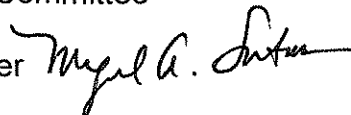
CAO File No. 0116-00001-0000

Council File No. 11-0600

Council District: All

To: Antonio R. Villaraigosa, Mayor
Herb J. Wesson, Council President
Paul Krekorian, Chair, Budget and Finance Committee

From: Miguel A. Santana, City Administrative Officer



Reference: 2011-12 Budget

Subject: **FOURTH FINANCIAL STATUS REPORT – INTERIM BUDGET ADJUSTMENTS**

SUMMARY

Pursuant to the City Charter Section 291, the Office of the City Administrative Officer (CAO) monitors the budget and transmits periodic reports to the Mayor and Council detailing the City's current financial condition. In the Mid-Year (Third) Financial Status Report (FSR), this Office reported that the projected Citywide deficit which had been identified in the Second FSR at \$72 million had been eliminated. This achievement was accomplished through the identification of savings across several funds and a net decrease in projected department shortfalls. Moreover, the deficit was addressed without a transfer of funds from the Reserve Fund.

This Fourth FSR provides recommendations for interim budget adjustments necessary to appropriately fund departments through the end of May. Transfers and appropriations totaling \$49.9 million are recommended, which includes \$5.0 million in appropriations from the Unappropriated Balance, Reserve for Economic Uncertainties. Status updates on departmental budgets are provided for those departments that have recommendations in this report.

This Office will provide a final update on the current-year budget with the release of the Year-End FSR in May. The Year-End FSR will include discussion on any remaining departmental deficits, revenue changes, Reserve Fund status and the Four-Year Outlook, as necessary.

Budgetary Adjustments

Budgetary adjustments totaling approximately \$49.9 million are recommended in Sections 1 and 2 of this report which include:

- \$17.9 million in new appropriations;
- \$8.3 million for transfers between accounts within various departments and funds;
- \$3.7 million for transfers between departments and funds;

- \$5.5 million in appropriations from the Unappropriated Balance, to include:
 - \$500,000 in budgeted funds for the Emergency Management Department.
 - \$4 million in funds from the Reserve for Economic Uncertainties to address shortfalls related to petroleum costs and bank fees (\$3 million and \$1 million, respectively).
 - \$954,000 in funds from the Reserve for Economic Uncertainties to fund the Annual City Audit/Single Audit.
- \$5.7 million in decreased appropriations to departments;
- \$8.4 million in reappropriations of special funds and encumbered general funds;
- \$383,000 for a recommendation to authorize Municipal Improvement Corporation of Los Angeles (MICLA) Fund expenditures.

Attachments

- 1 New Appropriations
- 2 Transfers between Accounts within Departments and Funds
- 3 Transfers between Departments and Funds
- 4 Appropriations from the Unappropriated Balance

FINANCIAL STATUS REPORT RECOMMENDATIONS

(Refer to Discussion Sections 1 and 2)

That the Council, subject to the approval of the Mayor:

1. Appropriate \$1,199,747.64 to department accounts as specified in Attachment 1;
2. Transfer \$8,305,948.17 between accounts within various departments and funds as specified in Attachment 2;
3. Transfer \$1,562,978.50 between various departments and funds as specified in Attachment 3;
4. Appropriate \$5,485,000.00 from the Unappropriated Balance to various accounts within departments and funds as specified in Attachment 4;

Controller

5. Authorize the Controller to reappropriate \$162,000 in Fiscal Year 2010-11 encumbered funds in the Controller Fund No. 100/26, Contractual Service Account No. 003040, to the current year for payment of auditing services;

Finance

6. a) Approve the use of \$383,000 in Municipal Improvement Corporation of Los Angeles (MICLA) financing included in the 2011-12 Budget for the purchase of server equipment for the City's tax and permit system (LATAx), Storage Area Network (SAN) equipment, and Tape Library equipment;
- b) Authorize the Controller to increase appropriations to the Office of Finance Fund No. 100/39, Account No. 7300, Furniture, Office and Technical Equipment by \$354,900, and Account No. 6010, Office and Administrative Expense by \$28,100, for a total increase of \$383,000; and, correspondingly appropriate a like amount within MICLA Fund No. 298/39 to a new Account No. 39H139, Finance; and
- c) Authorize the Controller to transfer cash from MICLA Fund No. 298/39, Account No. 39H139, Finance to reimburse the General Fund on an as-needed basis upon proper documentation from Finance and approval of the City Administrative Officer;

Fire

7. a) Authorize the Controller to increase appropriations by \$25,000 in the Information Technology Agency Fund No. 100/32, Account No. 001100, Hiring Hall Salaries, for installation of communications equipment in Fire Department vehicles, and correspondingly to transfer \$25,000 within MICLA Fund No. 298/38 from Account No. 38G206, Communication Equipment to Account No. 38H132, ITA;
- b) Authorize the Controller to transfer cash from MICLA Fund No. 298/38, Account No. 38H132, ITA to reimburse the General Fund on an as-needed basis upon proper documentation from the Information Technology Agency and the approval of the City Administrative Officer;

Mayor

8. Reappropriate \$1,009,565.93 of encumbered prior year funds in Mayor Fund No. 100/46, Contractual Services Account No. 003040 to the current fiscal year to support service provider contractors associated with the Gang Reduction and Youth Development (GRYD) Program;
9. Appropriate \$4,290,987.88 from the Supplemental Law Enforcement Services Fund (SLESF) No. 667/46, from the accounts detailed below, to the Police Fund No. 100/70, Sworn Salaries Account No. 001012:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
46F170	Police Department	\$2,525,000.00
46V170	Police Department	1,539,987.88
46Y170	Police Department	226,000.00
	Total	<u>\$4,290,987.88</u>

Neighborhood Empowerment

10. Reappropriate \$2,000 from Fiscal Year 2010-11, Department of Neighborhood Empowerment (DONE) Fund No. 44B/47, Account No. 471055 Greater Toluca Lake Neighborhood Council to the same account to pay any outstanding Demand Warrants;
11. Reappropriate \$1,474.95 from Fiscal Year 2010-11, DONE Fund No. 44B/47, Account No. 471088 Winnetka Neighborhood Council to the same account to pay an outstanding Demand Warrant to Location Sound, Corp.;
12. Reappropriate \$2,500 from Fiscal Year 2010-11, DONE Fund No. 44B/47, Account No. 471089 Wilshire Center/Koreatown Neighborhood Council to the same account to pay an outstanding Demand Warrant to PAVA (Pacific American Volunteer Association);
13. Reappropriate \$1,977.29 from Fiscal Year 2010-11, DONE Fund No. 44B/47, Account No. 471105 Hollywood Studio District Neighborhood Council to the same account to pay a portion of the an outstanding Lease Agreement to Assistance League of Southern California (\$1,102.29) and to pay for an item purchased on the NC Credit Card from Amgraph (\$875);
14. Reappropriate \$18,400 from Fiscal Year 2010-11, DONE Fund No. 44B/47, Account No. 471109 Voices of 90037 Neighborhood Council to the same account to pay two outstanding Demand Warrants of \$5,000 each to The Tyme Foundation (\$10,000) and to pay an outstanding Lease Agreement to The Los Angeles Community Reinvestment Committee (\$8,400);

Public Works Street Services

15. Authorize the Controller to reappropriate unspent funds totaling 717,145.74 from the Community Development Block Grant (CDBG) American Recovery and Reinvestment Act (ARRA) Trust Fund No. 51N/22, Account No. 22G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for the Public Infrastructure California Hospital project (\$481,760.20) and Sidewalk and Curb Construction project (\$235,385.54):

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$385,000.00
001100	Hiring Hall Salaries	73,000.00
003030	Construction Expense	94,000.00
003040	Contractual Services	58,000.00
006010	Office and Administrative	15,000.00
006020	Operating Supplies	<u>92,145.74</u>
	Total	\$717,145.74

16. Authorize the Controller to reappropriate unspent funds totaling \$1,138,356.13 from the Gas Tax Fund No. 206/50, Account No. 50G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for the 3266 Coy Drive Bulkhead and SAFETEA-LU projects (\$388,356.13):

Account No.	Account Name	Amount
001010	Salaries General	\$695,000.00
001100	Hiring Hall Salaries	350.00
003030	Construction Expense	289,000.00
003040	Contractual Services	72,500.00
006010	Office and Administrative	3,400.00
006020	Operating Supplies	<u>78,106.13</u>
Total		\$1,138,356.13

17. Authorize the Controller to reappropriate unspent funds totaling \$2,645,105.74 from Subventions and Grants 305/50, Account No. 50G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for projects as follows: CRA Olympic Boulevard Streetscape Improvement project (\$1,323,783.18), CRA-Pico Union Boulevard Streetscape project (\$512,488.95), CRA Santa Monica/Western Avenue Improvement project (\$723,841.01), CRA Washington Boulevard Median Island Landscape Design Services Council District 10 project (\$54,992.60), and CRA Wilmington Streetscape Improvement Design project (\$30,000):

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$1,354,200.00
001090	Salaries, Overtime	27,500.00
001100	Hiring Hall Salaries	1,000.00
003030	Construction Expense	711,100.00
003040	Contractual Services	273,900.00
003090	Field Equipment Expense	80,600.00
006010	Office and Administrative	24,250.00
006020	Operating Supplies	<u>172,555.74</u>
Total		\$2,645,105.74

18. Authorize the Controller to reappropriate unspent funds totaling \$27,000 from the ARRA MICLA Special Fund No. 299/94, Account No. 94G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for Department of Transportation (DOT) ARRA projects:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$10,000.00
001090	Salaries, Overtime	1,500.00
003030	Construction Expense	<u>15,500.00</u>
Total		\$27,000.00

19. Authorize the Controller to reappropriate unspent funds totaling \$491,204.18 from the Community Development Trust Fund No. 424/22, Account No. 22G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for projects as follows: Pico Venice Washington Boulevard (\$281,872.08) and Pico Venice Washington Boulevard 36th Consolidated Plan project (\$209,332.10):

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$215,000.00
001090	Salaries, Overtime	61,000.00
003030	Construction Expense	83,000.00
003040	Contractual Services	42,000.00
006010	Office and Administrative	13,000.00
006020	Operating Supplies	<u>77,204.18</u>
	Total	\$491,204.18

20. Authorize the Controller to reappropriate unspent funds totaling \$586,604.37 from the Environmental Affairs Trust Fund No. 537/50, Account No. 50G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for the Branching Out Tree Planting project:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$300,000.00
001090	Salaries, Overtime	200,000.00
003040	Contractual Services	<u>86,604.37</u>
	Total	\$586,604.37

21. Authorize the Controller to reappropriate unspent funds totaling \$61,304 from the Terra Bell/Fenton Avenue Drive District fund 623/50, Account No. 50G186, to the following accounts within Bureau of Street Services Fund No. 100/86 for the Terra Bell/Fenton Avenue project:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$30,000.00
001090	Salaries, Overtime	5,000.00
003030	Construction Expense	15,000.00
006010	Office and Administrative	2,000.00
006020	Operating Supplies	<u>9,304.00</u>
	Total	\$61,304.00

22. Authorize the Controller to reappropriate unspent funds totaling \$200,000 from the West Los Angeles Transportation Improvement and Mitigation Fund No. 681/94, Account No. 94G186, to the following accounts within Bureau of Street Services 100/86 for the Westwood HOA Sidewalk Improvement project:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$136,000.00
003030	Construction Expense	36,000.00
003040	Contractual Services	11,000.00
006020	Operating Supplies	<u>17,000.00</u>
	Total	\$200,000.00

23. Authorize the Controller to reappropriate unspent funds totaling \$80,744 from the Council District Eight Real Property Trust Fund No. 690/14, Account No. 14G186, to the following accounts within the Bureau of Street Services 100/86 for the Street and Sidewalk Improvement project, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$40,000.00
003030	Construction Expense	12,000.00
003040	Contractual Services	12,000.00
006020	Operating Supplies	<u>16,744.00</u>
	Total	\$80,744.00

24. Authorize the Controller to reappropriate unspent funds totaling \$149,341.79 from the Council District 10 Real Property Trust Fund No. 692/14, Account No. 14G186, to the following accounts within the Bureau of Street Services Fund No. 100/86 for the Construction and Repair of Curbs, Sidewalk and Driveway project, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$74,700.00
001100	Hiring Hall Salaries	2,600.00
003030	Construction Expense	43,500.00
003040	Contractual Services	18,800.00
006020	Operating Supplies	<u>9,741.79</u>
	Total	\$149,341.79

25. Authorize the Controller to reappropriate unspent funds totaling \$351,389.01 from the Public Works Trust Fund No. 834/50, Account No. 50186G, to the Bureau of Street Services 100/86 for the SAFETEA-LU Temple Street project, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$175,000.00
001100	Hiring Hall Salaries	970.00
003030	Construction Expense	123,000.00
003040	Contractual Services	28,130.00
006010	Office and Administrative	5,000.00
006020	Operating Supplies	<u>19,289.01</u>
	Total	\$351,389.01

26. Authorize the Controller to reappropriate unspent funds totaling \$434,050.00 from the Street Furniture Revenue Fund No. 43D/50, Account No. 50G186, to the Bureau of Street Services 100/86 for projects as follows: Maintenance & Enhancement Various Projects Council District Three (\$166,000), Transit Alley Repair Project Council District Five (\$18,050), and Various Enhancement Projects in Council District Two (\$250,000) , as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$163,000.00
001090	Salaries, Overtime	42,000.00
001100	Hiring Hall Salaries	2,000.00
003030	Construction Expense	133,000.00
003040	Contractual Services	60,000.00
006020	Operating Supplies	<u>34,050.00</u>
	Total	\$434,050.00

27. Authorize the Controller to reappropriate unspent funds totaling \$19,963 from the Department of Neighborhood Empowerment Trust Fund No. 44B/47, Account No. 47G186, to the Bureau of Street Services 100/86 for projects as follows: Sherman Oaks Neighborhood Council Pothole Repair (\$9,963) and Tarzana Neighborhood Council Pothole Repair (\$10,000) , as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$8,000.00
001090	Salaries, Overtime	4,000.00
003030	Construction Expense	4,000.00
003040	Contractual Services	2,000.00
006020	Operating Supplies	<u>1,963.00</u>
	Total	\$19,963.00

28. Authorize the Controller to reappropriate unspent funds totaling \$99,647.35 from the Neighborhood Traffic Management Trust Fund No. 47H/94, Account No. 94G186, to the Bureau of Street Services 100/86 for the Westwood Home Owners Association Sidewalk Improvement project, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$64,020.00
003030	Construction Expense	17,925.00
003040	Contractual Services	8,963.00
006020	Operating Supplies	<u>8,739.35</u>
	Total	\$99,647.35

29. Authorize the Controller to reappropriate unspent funds totaling \$5,161 from the ARRA Transportation Project Special Fund No. 51X/94, Account No. 94G186, to the Bureau of Street Services 100/86 for the DOT Tree Removal at Cornwell and Marengo project, as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
001010	Salaries General	\$3,000.00
001090	Salaries, Overtime	500.00
003040	Contractual Services	1,000.00
006020	Operating Supplies	<u>661.00</u>
	Total	\$5,161.00

30. Authorize the Controller to reduce appropriations in the amount of \$645,800 in the DOT Fund No. 100/94, Account No. 001010, Salaries General; and thereafter reduce appropriations by \$645,800 in the Traffic Safety Fund No. 306/62, Account No. 62H194, Transportation, to mitigate any potential cash shortfalls in the Fund;

Transportation

31. Transfer of the entire fund balance of approximately \$2,126,400 from Preferential Parking Districts Fund No. 44P/94 Cash Balance to the newly created Permit Parking Revenue Fund No. 49C/94 Cash Balance; and direct the Department of Transportation to close out the Preferential Parking Districts Fund No. 44P/94, in accordance with Ordinance No. 181918;

Street Damage Restoration Fee

32. Authorize the Controller to reduce appropriations in the amount of \$2,422,616 in the Bureau of Street Services (BSS) Fund No. 100/86, Account No. 001010, Salaries General; and, thereafter reduce appropriations by \$2,422,616 in the Street Damage Restoration Fee Fund No. 41A/50, Account No. 50H186, PW-Street Services, to mitigate any potential cash shortfalls in the Fund;

33. Reduce BSS departmental receipts by \$1,340,995, Revenue Source No. 5352, Street Damage Fee Related Costs; and, thereafter reduce appropriations by \$1,340,995 in the Street Damage Restoration Fee Fund No. 41A/50, Account No. 50H299, Related Costs, to mitigate any potential cash shortfalls in the Fund;

34. Authorize the Controller to reduce appropriations in the amount of \$1,300,000 in the Department of Transportation Fund No. 100/94, Account No. 003350, Paint and Sign Maintenance; and, thereafter reduce appropriations by \$1,300,000 in the Street Damage Restoration Fee Fund No. 41A/50, Account No. 50H194, Transportation, to mitigate any potential cash shortfalls in the Fund;

Transportation and Infrastructure Bond Proposition 1B

35. a) Increase appropriations within the Proposition 1B Infrastructure Bond Fund No. 50J/50 as follows:

<u>Account No.</u>	<u>Account Name</u>	<u>Amount</u>
50H186	Street Maintenance	\$2,422,616.00
50H194	Transportation	1,300,000.00
50HXXX	Related Costs – Prior Year	2,638,931.00
50H299	Related Costs	<u>6,057,827.00</u>
	Total	\$12,419,374.00

- b) Transfer and appropriate \$2,422,616 from Proposition 1B Infrastructure Bond Fund No. 41A/50, Account No. H186, Street Maintenance, to the Bureau of Street Services Fund No. 100/86, Account No. 001010, Salaries General;
- c) Transfer and appropriate \$1,300,000 from Proposition 1B Infrastructure Bond Fund No. 41A/50, Account No. H194, Transportation, to the Department of Transportation Fund No. 100/94, Account No. 003350, Paint and Sign Maintenance; and,

Technical

36. Authorize the City Administrative Officer to make technical corrections as necessary to those transactions included in this report to implement Mayor and Council intentions.

FISCAL IMPACT STATEMENT

As reported in the Mid-Year Financial Status Report, the Citywide deficit has been addressed with the implementation of Department Operational Plans and the identification of surpluses in funds and accounts. Transfers, appropriations and other adjustments totaling approximately \$49.9 million are recommended in this report to allow departments to continue operations through the end of May.

DEBT IMPACT STATEMENT

With the authorization to spend \$383,000 in Municipal Improvement Corporation of Los Angeles (MICLA) funds for systems equipment as recommended in this report, it is estimated that the City will need to borrow \$430,875 at a five (5) percent interest rate. The total interest cost will be \$127,125. The estimated annual debt service will be \$55,800 over 10 years.

DISCUSSION

The Office of the City Administrative Officer (CAO) monitors the budget and transmits reports to the Mayor and Council detailing the City's current financial condition. This report provides recommendations for interim budget adjustments to provide necessary funding for department and non-departmental accounts through the end of May. This Office will provide a final update on the current-year budget with the release of the Year-End FSR in May. The Year-End FSR will include discussion on any remaining departmental deficits, revenue changes, Reserve Fund status and the Four-Year Outlook, as necessary.

1. STATUS OF DEPARTMENTAL BUDGETS

A. City Administrative Officer

Attachment 3 – Transfers between Departments and Funds Recommendation No. 3

As reported in previous FSRs, the Office projected that it will complete the fiscal year within budget after reimbursement for staff costs associated with the ARRA program and other special fund activities along with greater than anticipated attrition.

The following transactions are recommended:

- Transfer \$116,290 from the Insurance and Bond Special Fund for both salaries and expense costs associated with citywide risk management.
- Transfer \$191,741 from the Capital Finance Administration Fund to cover both salaries of staff assigned to debt management work and replacement of personal computers that are eight years old and failing at an increasing rate. The system infrastructure in the CAO is reaching the end of its useful life. The CAO is therefore beginning the process of replacing old Novell servers. Debt management work has been particularly affected by the aging hardware and software, as staff have been unable to open and work with files sent from the City's financial advisors and bond counsel. In order to ensure the necessary consistency and compatibility, funds are recommended for transfer to replace desktop hardware and software.

B. Controller

Attachment 4 – Appropriations from the Unappropriated Balance Recommendation Nos. 4 and 5

The Department is projected to complete the year within budget and to meet all adopted budget revenue projections.

The following transactions are recommended in support of the Department's audit functions:

- Appropriate \$985,000 from the Unappropriated Balance, Reserve for Economic Uncertainties to the General City Purposes Fund (GCP) for the 2010-11 Annual City Audit/Single Audit, which is required by Charter Section 362. The Department was budgeted \$802,040 in the GCP in 2010-11 and received an additional appropriation in the amount of \$182,600 from the Unappropriated Balance, Budget Balancing Bridge account (C.F. No. 11-0097). Funds for the Annual City Audit/Single Audit have traditionally been appropriated in the audit year and expended in the following year. However, these funds were inadvertently reverted at the end of 2010-11.
- Reappropriate \$162,000 in prior year Contractual Services savings to the current fiscal year for audits. The funds were encumbered for a two-phase audit of the security of the City's systems. As the first phase of the audit revealed that the City's firewall and system monitoring provided adequate security, the second phase of the audit and the corresponding funding was not required.

C. Cultural Affairs

Attachment 3 – Transfers between Departments and Funds Recommendation No. 3

It is projected that the Department will complete the year within budget. Also, as previously reported in the Mid-Year FSR, it is projected that revenue may exceed the adopted budget. Revenue receipts include Federal Emergency Management Agency (FEMA) disaster grant reimbursements of \$222,485 for 2005 storm-related expenses associated with the conservation of the Watts Towers. This Office will continue to monitor the Department and its accounts to ensure the Department remains within their budgeted funds.

The following transaction is recommended:

- Transfer \$157,000 in FEMA reimbursements within the Cultural Affairs Trust Fund Watts Towers Conservation Program account to the Department's Salaries As-Needed account to address a shortfall in the account. The shortfall is attributed to grant-related activity and art center operations.

D. Emergency Management

Attachment 4 – Appropriation from the Unappropriated Balance Recommendation No. 4

The Department's Salaries General shortfall has increased from \$410,000, as reported in the Mid-Year FSR, to \$494,000. The shortfall will be completely eliminated upon receipt of Regional Catastrophic Preparedness Grant Program appropriations.

The following transaction is recommended:

- Appropriate \$500,000 from the Unappropriated Balance to the Emergency Operations Fund. These funds were set aside for the City Disaster Planning Study. The Department is in the process of executing a contract for the study this fiscal year and will need the funds to pay the selected contractor.

E. Finance

Attachment 2 – Transfers between Accounts within Departments and Funds Attachment 3 – Transfers between Departments and Funds Attachment 4 – Appropriations from the Unappropriated Balance Recommendation Nos. 2 through 4 and 6

Excluding bank service fee expenditures, the Department continues to remain within budget through year-end. However, bank fee expenditures continue to rise due to credit card usage.

The Mid-Year FSR estimated year-end bank fee expenditures at \$12.7 million (\$3.5 million more than the \$9.2 million 2011-12 budgeted). Based on expenditures through the end of January, year end expenditures are now projected at \$12.8 million increasing the remaining deficit by \$100,000. With an appropriation of \$2.5 million in the Mid-Year FSR the remaining deficit is \$1.1 million. There is potential that the Public Works- Bureau of Sanitation (BOS) will begin implementing web-based credit card transactions in the current fiscal year, which could increase the deficit even further. Should this occur, this Office recommends that the Department work with BOS to establish a reimbursement process for the additional bank fee expenditures. A mechanism to have the Building Permit Enterprise Fund reimburse bank fees expenditures attributed to the Department of Building and Safety is expected to be in place by 2012-13.

In the Mid-Year FSR the Department's revenue outlook was projected at \$1.27 million less than budget. However, the net projected revenue shortfall has now increased to \$2 million. Finance is currently reporting that all 2011-12 Unclaimed Matured Bond-related escheatment revenue (budgeted at \$1.6 million) will not be realized as these funds consisted of Department of Water and Power (DWP) Bearer Bonds whose proceeds must be returned to the DWP instead of the General Fund. Additionally, the Department projects that accident collections revenue will be \$125,000 less than the budget. Shortfalls continue to be projected in the delinquent account collection (\$250,000), merchant card convenience fee (\$500,000), and revenue from services to the Department of Water and Power (\$744,348). A portion of the combined revenue shortfalls has been offset by increased bank fee reimbursements.

The following transactions are recommended:

- Transfer \$5,700 from the Early Retirement Incentive Program account (Sewer Construction Maintenance funding) to the Salaries General account to cover unfunded retiree payouts, in accordance with the Operational Plan,
- Transfer \$5,003.99 from the Salaries General account to the Controller's Salaries As-Needed account for the reimbursement of accounting assistance from pay periods 15 to 17.
- Appropriate \$1 million from the Unappropriated Balance, Reserve for Economic Uncertainties to the Bank Fee account. While it is anticipated that BOS will reimburse bank fee charges from special funds if web-based credit card transactions are implemented, this interim appropriation is recommended now due to the unpredictability of bank fee expenditures and to avoid potential late fees.
- *Municipal Improvement Corporation of Los Angeles (MICLA)*: Approve the use of \$383,000 in MICLA for the purchase of server equipment for the City's tax and permit system (LATAx) database. As part of the 2011-12 Budget, the Council and Mayor instructed the CAO to add MICLA-eligible LATAx equipment estimated at \$394,000 to the Capital Finance Administration Fund (C.F. No. 11-0600). In compliance with the MICLA policy adopted as part of the 2009-10 budget, all projects proposed for MICLA financing must be approved by the Council before expending MICLA Commercial Paper or long-term MICLA bond proceeds (C.F. No. 09-0600). As reported during the 2011-12 budget deliberations, the LATAx database hardware was installed in 2007 and will have been in operation for six years. Since the Department's existing system

software versions will no longer be supported by Oracle, there will be no further updates, including security patches.

In addition to the database server replacement, the MICLA funds are proposed to be used to replace Storage Area Network (SAN) and Tape Library equipment at the Garland Building, as these items are no longer supported by their manufacturers. The SAN disk storage and Tape Library equipment have been in use since 2004 and 2003, respectively.

With approval, the Department will have a database test environment to support testing of Oracle patch upgrades (which does not currently exist). The Department intends to complete all testing and installation by November 2012, in time for the next tax renewal season.

With the authorization to spend \$383,000 in Municipal Improvement Corporation of Los Angeles (MICLA) funds it is estimated that the City will need to borrow \$430,875, which includes \$38,300 for the Debt Service Reserve Fund and \$9,575 for costs of issuance, at a five percent interest rate. The total interest cost will be \$127,125. The estimated annual debt service will be \$55,800 over 10 years.

F. Fire

Attachment 1 – New Appropriations

Attachment 2 – Transfers between Accounts within Departments and Funds

Attachment 3 – Transfers between Departments and Funds

Recommendation Nos. 1 through 3 and 7

It was projected in the Third FSR (Mid-Year) that the Department had a \$16.4 million deficit. The deficit remains at \$16.4 million by year-end primarily attributed to Sworn Constant Staffing Overtime, Sworn Overtime, payouts to Sworn Bonus and Sworn Unused Sick Time deferrals.

The revenue budget for this fiscal year is \$142.2 million and the Department is projected to meet budgeted revenue. As reported in previous FSRs, pending lawsuits are estimated to cost several million in back wages. The settlement is expected in the current fiscal year.

The following transactions are recommended:

- Transfer \$311,000 from the Salaries Sworn account to the Unused Sick Time account to meet payroll needs through pay period 25. This account is used to pay unused sick time to retired sworn members as retirements occur and the annual unused sick time for members with more than 136 accumulated hours.
- Transfer \$60,000 from the Department's Special Training Fund, State Educational account to the Police Department's Overtime Sworn account to allow the Police Department to provide pilot training to a sworn Fire Department employee.
- Transfer up to \$25,000 in MICLA 2010-11 Adopted Budget funding to the Information Technology Agency for planned MICLA-funded communication installations to be completed this fiscal year. Use of this funding was approved in the Second FSR of Fiscal Year 2010-11 (C.F. No. 10-0600-S51).

- Appropriate \$280,000 to the Variable Staffing Overtime account from Special Fund 44R (Kaiser Fund) to deploy six Variable Staffed ambulances. The six units will enhance ambulance availability during peak hours citywide. This funding will partially offset the total cost of \$375,000 for the six ambulances for the remainder of the fiscal year. The Department expects to receive additional funds in this account over the next several months. Should funds become available prior to year-end, a transfer of additional funds will be made through the Year-End FSR.

G. General Services

Attachment 3 – Transfers between Departments and Funds

Attachment 4 – Appropriations from the Unappropriated Balance

Recommendation Nos. 3 and 4

Excluding Petroleum costs, the Department is projected to complete the year within budget.

The following transactions are recommended:

- Transfer \$3 million from the Unappropriated Balance, Reserve for Economic Uncertainties to the Petroleum account to meet the Supply Management System purchasing deadline. In the Mid-Year FSR, the Department reported a \$9 million net deficit for the Petroleum Account and received \$6 million to partially offset the projected deficit.
- Transfer \$165,000 from Bureau of Sanitation to the Department to pay for the balance of postage costs for mailing the Wastewater Program rate adjustment notifications.

H. Library

Attachment 2 – Transfers between Accounts within Departments and Funds

Recommendation No. 2

The projected surplus in the Salaries General account has increased from \$1.05 million, as reported in the Mid-Year FSR, to \$1.24 million. The Department projects deficits of \$125,000 in their Salaries, As-Needed Account and \$5,000 in their Transportation Account which will be addressed with the approval of recommendations below. The Department is reporting a deficit of \$650,000 in Library Fund revenue for the period ending February 29, 2012. As reported in the Mid-Year FSR, the projected shortfall is expected to reach \$839,000 by year-end and is attributable to revenue from fees and fines.

The following transactions are recommended:

- Transfer \$125,000 from the Salaries, General Account to the Salaries, As-Needed Account.
- Transfer \$5,000 from Salaries, General Account to the Transportation Account.

**I. Mayor
Recommendation Nos. 8 and 9**

The Mayor's Office requests the following transactions:

- Reappropriate \$1,009,566 of encumbered prior-year funds in the Contractual Services Account to the current fiscal year to support service provider contracts associated with the Gang Reduction and Youth Development (GRYD) Program.
- Appropriate \$4,290,988 from the Supplemental Law Enforcement Services Fund (SLESF) to the Police Department's Sworn Salaries account to support staffing costs at nine Community Law Enforcement and Recovery (CLEAR) sites.

**J. Neighborhood Empowerment
Recommendation Nos. 10 through 14**

The Department of Neighborhood Empowerment is projected to complete the year within budget. This is a result of salary savings from managed hiring and a transfer from prior year unencumbered funds into the Salaries, General Account. The Department is also requesting various transfers on behalf of the Neighborhood Councils to pay for outstanding demand warrants.

The following transactions are recommended:

- Reappropriate \$2,000 from the Fiscal Year 2010-11, Greater Toluca Lake Neighborhood Council account to ensure that funds are available to pay any outstanding Demand Warrants.
- Reappropriate \$1,474 from the Fiscal Year 2010-11, Winnetka Neighborhood Council account to ensure that funds are available to pay an outstanding Demand Warrant to Location Sound, Corp. for sound equipment for the development of anti-drug/alcohol films that will be donated to local schools.
- Reappropriate \$2,500 from the Fiscal Year 2010-11, Wilshire Center/Koreatown Neighborhood Council account to ensure that funds are available to pay an outstanding Demand Warrant to PAVA (Pacific American Volunteer Association) for the Olympic Community Emergency Response Team Program for the Police Department Olympic Station.
- Reappropriate \$1,977 from the Fiscal Year 2010-11, Hollywood Studio District Neighborhood Council account to ensure that funds are available to pay a portion of the an outstanding Lease Agreement to Assistance League of Southern California (\$1,102) and to pay for an item purchased on the NC Credit Card from Amgraph (\$875) and charged to current fiscal year funds when the purchase should have been charged to prior year funds.
- Reappropriate \$18,400 from the Fiscal Year 2010-11, Voices of 90037 Neighborhood Council (NC) account to ensure that funds are available to pay two outstanding Demand Warrants of \$5,000 each to The Tyme Foundation (\$10,000) and to pay an outstanding Lease Agreement to The Los Angeles Community Reinvestment Committee (\$8,400).

K. Police

Attachment 2 – Transfers between Accounts within Departments and Funds Recommendation No. 2

As reported in the Mid-Year FSR, the Department's projected deficit was eliminated per the Department's Operational Plan, which included the use of prior year revenue, state and special funds, and projected internal savings to offset shortfalls. It is projected that the Department will complete the year within budget with the approval of transfers per the plan, which includes a \$1.2 million appropriation from the Unappropriated Balance, Reserve for Economic Uncertainties that is pending the Department's documentation of sworn overtime costs.

Through February 25, 260 Police Officers have been hired and attrition is 202, 53 lower than projected at this point. For Pay Period 19, anticipated total payroll is 9,917. The Police Department is projecting attrition to be 120 officers between March 2012 and June 30, 2012. The next planned Academy class for 50 recruits is scheduled to start on April 7, 2012.

The following transactions are recommended:

- Transfer \$4 million from the Department's Sworn Salaries account to the Salaries General account to offset the projected shortfall in the account. The deficit of \$4.4 million is primarily due to the impact of various employee bargaining agreements that resulted in \$3.5 million in reduced funding and the cost of absorbing approximately \$4 million in retiree payouts.
- Transfer \$1.2 million from various Department accounts to the Field Equipment Expense account for necessary purchases, including DNA consumables and vehicle parts.
- Additionally, a recommendation to transfer \$4.2M from the Supplemental Law Enforcement Services Fund (SLESF) to the Police Department's Sworn Salaries account which decreases its deficit from \$7 million to \$2.8 million (Section 1.I). It is anticipated that the Department will receive an additional \$1.8M appropriation from the COPS Grant to help address the remaining shortfall. The Department is also adjusting hiring, promotions and paygrade advancements to create additional savings in the account.

L. Public Works/Bureau of Street Lighting

Attachment 1 – New Appropriations

Attachment 3 – Transfers between Departments and Funds

Recommendation Nos. 1 and 3

Pending approval of the recommendations in this report, it is projected that the Bureau of Street Lighting (BSL) will have a special funds surplus of \$1.1 million, attributed to its Salaries General and Salaries Overtime accounts. The Salaries General surplus includes absorption of the Bureau's 2011-12 ERIP payout costs.

The following transactions are recommended:

- Transfer \$25,000 from the Bureau's Contractual Services account to the Bureau of Contract Administration (BCA) for construction inspection of the Sun Valley Lighting Improvement Phase 3 Project. The Bureau was originally awarded funds for the project through the Community Development Block Grant (CDBG) 36th Year Consolidated Plan report.
- Transfer \$465,000 from the Street Banners Revenue Trust Fund equally to each Council District account within the fund in accordance with Section 5.516 of the Los Angeles Administrative Code. Section 5.516 states that any funds in excess of the amounts necessary to monitor and oversee the City's Street Banner Program should be divided equally among the Council Districts and deposited into a separate account for each Council District. These funds shall be used for roadway improvements; transit related services and equipment; and sidewalk, curb improvements and other beautification projects to improve conditions for public transit patrons. Equal division of the available funding amounts to \$31,000 to be deposited into each Council District account. The Bureau will evaluate remaining funds at the end of the fiscal year to determine if any additional funds are available for distribution to Council District accounts.

**M. Public Works/Bureau of Street Services
Recommendation Nos. 1 and 15 through 30**

At this time a total deficit of \$4.69 million is projected in the Bureau's Salaries General account; however, the deficit is expected to be eliminated by year end through interim appropriations and reimbursements anticipated to be received throughout the fiscal year and with the approval of recommendations contained within this report. The timely receipt of anticipated reimbursements will be monitored to ensure a balanced budget at fiscal year-end.

The following transactions are recommended:

- Appropriate \$461 from the Subventions and Grant Fund to the Bureau for Miscellaneous Location Access for Filming.
- Reappropriate unspent funds totaling \$717,145 from the Community Development Block Grant ARRA Trust Fund for projects as follows: Public Infrastructure California Hospital project (\$481,760) and Sidewalk and Curb Construction project (\$235,385).
- Reappropriate unspent funds totaling \$1,138,356 from the Gas Tax Fund for the 3266 Coy Drive Bulkhead project (\$750,000) and the SAFETEA-LU projects (\$388,356).
- Reappropriate unspent funds totaling \$2,645,105 from Subventions and Grants for projects as follows: CRA Olympic Boulevard Streetscape Improvement project (\$1,323,783), CRA-Pico Union Boulevard Streetscape project (\$512,489), CRA Santa Monica/Western Avenue Improvement project (\$723,841), CRA Washington Boulevard Median Island Landscape Design Services Council District 10 project (\$54,992), and CRA Wilmington Streetscape Improvement Design project (\$30,000).
- Reappropriate unspent funds totaling \$27,000 from the ARRA MICLA Special Fund for DOT ARRA projects.

- Reappropriate unspent funds totaling \$491,204 from the Community Development Trust Fund for projects as follows: Pico Venice Washington Boulevard (\$281,872) and Pico Venice Washington Boulevard 36th Consolidated Plan project (\$209,332).
- Reappropriate unspent funds totaling \$586,604 from the Environmental Affairs Trust Fund for the Branching Out Tree Planting project.
- Reappropriate unspent funds totaling \$61,304 from the Terra Bell/Fenton Avenue Drive District fund for the Terra Bell/Fenton Avenue project.
- Reappropriate unspent funds totaling \$200,000 from the West Los Angeles Transportation Improvement and Mitigation Fund for the Westwood HOA Sidewalk Improvement project.
- Reappropriate unspent funds totaling \$80,744 from the Council District 8 Real Property Trust Fund for the Street and Sidewalk Improvement project.
- Reappropriate unspent funds totaling \$149,341 from the Council District 10 Real Property Trust Fund for the Construction and Repair of Curbs, Sidewalk and Driveway project.
- Reappropriate unspent funds totaling \$351,389 from the Public Works Trust Fund for the SAFETEA-LU Temple Street project.
- Reappropriate unspent funds totaling \$434,050 from the Street Furniture Revenue Fund for projects as follows: Maintenance and Enhancement Various Projects Council District Three (\$166,000), Transit Alley Repair Project Council District Five (\$18,050), and Various Enhancement Projects in Council District Two (\$250,000).
- Reappropriate unspent funds totaling \$19,963 from the Department of Neighborhood Empowerment Trust Fund for projects as follows: Sherman Oaks Neighborhood Council Pothole Repair (\$9,963) and Tarzana Neighborhood Council Pothole Repair (\$10,000).
- Reappropriate unspent funds totaling \$99,647.35 from the Neighborhood Traffic Management Trust Fund for the Westwood Home Owners Association Sidewalk Improvement project.
- Reappropriate unspent funds totaling \$5,161 from the ARRA Transportation Project Special Fund for the DOT Tree Removal at Cornwell and Marengo project.
- Reduce Traffic Safety Fund appropriations in the amount of \$645,800 in the Department's Salaries General account to mitigate any potential cash shortfalls in the Fund resulting from a decline in revenue from \$13.1 million to \$11.0 million. The revision is based on monthly receipts received through December 2011 which have been in part impacted by the elimination of the photo red light program. The Department of Transportation does not anticipate any negative impacts from this action and will request the use of other eligible special funds to cover field operations in the Year-End, if necessary.

N. Transportation

Attachment 1 – New Appropriations

Attachment 2 – Transfers between Accounts within Departments and Funds

Attachment 3 – Transfers between Departments and Funds

Recommendation Nos. 1 through 3, and 31

The Department is expected to complete the year within budget and will request the necessary adjustments at Year-End to correct any shortfalls within Special Funded accounts as needed. The Department is still working to correct labor charges for various charges made inadvertently to the General Fund and special funds.

Parking Revenue receipts are still down cumulatively by 2.77 percent from projected revenues as of February, however the Department anticipates meeting the revenue target of \$141 million by Year-End.

The following transactions are recommended:

- Appropriate \$376,286 within the Automated Traffic Surveillance and Control System (ATSAC) Trust Fund for the following: \$2,500 for overtime charges already incurred, \$164,000 for software upgrades and enhancements to the ATSAC Operations Center, \$149,786 to reimburse the Local Transportation Fund for ATSAC related charges previously approved under C.F. No. 09-2561 and C.F. No. 10-0495, and \$60,000 for space needs assessment studies to relocate the ATSAC Center and to construct a new Emergency Center. Funding is available in accumulated interest, and the current available balance is \$1.3 million.
- Appropriate \$78,000 within the Permit Parking Revenue Fund for sign fabrication, office supplies, and technology and software. This appropriation is contingent on approval of the transfer of the cash balance to the Permit Parking Revenue Fund.
- Reappropriate a total of \$1,619,248 from the Local Transportation Fund Fiscal Year 2010-11 appropriations to the Bureau of Street Lighting and Street Services to the San Fernando Road Bike Path Account.
- Transfer and appropriate \$80,000 from the Proposition C Anti-Gridlock Fund Transportation Grant Fund Work Program to the Bridge Program due to a change order issued in connection with the 4th Street and Lorena Bridge. There is sufficient funding in Proposition C Anti-Gridlock Fund for this transfer.
- Transfer \$2,500 for overtime worked on ATSAC Trust Fund Work Orders.
- Transfer a total of \$731,943 from the Measure R Bikeway Program to the Department's Salaries-General account (\$561,000) and the Salaries Overtime account (\$170,943) for work on Measure R funded work orders.
- Transfer \$8,500 from the Special Parking Revenue Fund to the Department of General Services for the repair of coin canisters and carts.

- Transfer of the entire fund balance of approximately \$2,126,400 from Preferential Parking Districts Fund to the newly created Permit Parking Revenue Fund and direct the Department of Transportation to close out the Preferential Parking Districts Fund. The Overnight Parking Program Revenue Fund was renamed by Ordinance No. 181918 as the Permit Parking Program Revenue Fund which includes the administration of the Preferential Parking Districts Fund.

2. STATUS OF NON-DEPARTMENTAL FUNDS AND SPECIAL ACCOUNTS

A. Capital Finance Administration

Attachment 3 – Transfers between Departments and Funds

Recommendation No. 3

This Capital Finance Administration Fund is used to pay for debt service costs and other special project costs, including those for the Los Angeles Convention Center and Downtown Event Center Project. There is sufficient savings in the fund to complete the following recommended transaction:

- Transfer \$100,000 from the Proposed Event Center Project account within the Capital Finance Administration Fund to the Controller's Contractual Services, for reimbursement of the parking audit performed by Crowe Horwath LLP in relation to the Proposed Event Center Project.
- Additionally, there is a recommendation to transfer \$191,000 to the Office of the City Administrative Officer in support of debt management services (Section 1.A).

B. Human Resources Benefits

Attachment 2 – Transfers between Accounts within Departments and Funds

Recommendation No. 2

As reported in the Mid-Year FSR, the Human Resources Benefits Fund has a projected \$8.1 million shortfall in the Civilian Flex account. This shortfall will be addressed with available funding within the Health Benefits Trust Fund, pending a determination by the Office of the City Attorney. A \$360,000 shortfall in the Police Health and Welfare Fund will be addressed using savings within the fund.

The following transaction is recommended:

- Transfer a total of \$360,000 in savings within the Fire Health and Welfare and Unemployment Insurance accounts (\$155,000 and \$205,000, respectively) to the Police Health and Welfare to eliminate the account deficit.

C. Street Damage Restoration Fee

Recommendation Nos. 32 through 34

The Street Damage Restoration Fee (SDRF) Special Fund receives revenue from fees assessed to entities, typically utility companies, performing excavations on paved streets. These street cuts are generally associated with construction and development, and utility infrastructure replacement. The fees help the City recover the cost of mitigating the damage caused by the excavations and are

calculated based upon the age of the street and size of the cut. Expenditures from the SDRF are restricted to work associated with street resurfacing, repair and reconstruction.

This revenue fluctuates with public and private construction trends; therefore revenue can be very difficult to project accurately. In 2007-08, the Department of Water and Power's (DWP) Water Division began a Mainline Replacement Program as part of their renewed infrastructure upgrade program. Approximately 38-million feet of water pipe is in need of replacement. Due to declines in private capital projects because of a stagnant economy, 80 percent to 90 percent of SDRF revenue is currently the result of DWP's Mainline Replacement Program.

The DWP recently indicated that there will be an indefinite reduction to the number of annual linear feet of mainline replacement. The 2011-12 Adopted Budget assumed approximately 155,000 linear feet of mainline replacement; however, DWP is now estimating that 90,000 linear feet will be replaced. This will negatively impact current year SDRF receipts. As such, current year Fund receipts are being revised from \$7.6 million to \$5.3 million.

The SDRF provides the Bureau of Street Service (BSS), General Services Department (GSD), and Department of Transportation (DOT) with \$12.7 million to support the costs of the Pavement Preservation Plan.

The following actions are recommended:

- Reduce appropriations to BSS and DOT to mitigate any potential cash shortfall in the SDRF. Sufficient funds are available and are recommended to be appropriated from the Proposition 1B Infrastructure Bond Fund (Section 2.D) to offset the reduction in SDRF funding to BSS and DOT. The Pavement Preservation Plan will not be negatively impacted by these recommendations.


D. Transportation and Infrastructure Bond (Proposition 1B) Recommendation No. 34

The following transactions is recommended in accordance with recommendations concerning the Street Damage Restoration Fee Special Fund (Section 2.C).

- Appropriate a total of \$12,419,374 from the Proposition 1B Infrastructure Bond Fund to the Bureau of Street Services (\$2,422,616) and the Department of Transportation (\$1,300,000) for street and sign maintenance and to the General Fund to reimburse prior and current year related costs (\$2,638,931 and \$6,057,827, respectively).


Melissa Krance, Senior Administrative Analyst

APPROVED:


Raymond P. Ciranna, Assistant City Administrative Officer

MAS:RPC:BC/MCK: 01120053

Attachments

**Attachment 1
NEW APPROPRIATIONS**

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Fire	<u>Fund 44R/38, Fire</u>		<u>Fund 100/38, Fire</u>	
Variable Staffed Ambulances	003844RA, Targeted Destination Ambulance Services Re	\$ 280,000.00	001098, Variable Staffing Overtime	\$ 280,000.00
		Subtotal		Subtotal
		\$ 280,000.00		\$ 280,000.00
Public Works Street Lighting	<u>Fund 43U/50, Street Banner Revenue Trust Fund</u>		<u>Fund 43U/50, Street Banner Revenue Trust Fund</u>	
Street Banner Program	Available Cash	\$ 465,000.00	50H01D, Council District 1	\$ 31,000.00
			50H02D, Council District 2	\$ 31,000.00
			50H03D, Council District 3	\$ 31,000.00
			50H04D, Council District 4	\$ 31,000.00
			50H05D, Council District 5	\$ 31,000.00
			50H06D, Council District 6	\$ 31,000.00
			50H07D, Council District 7	\$ 31,000.00
			50H08D, Council District 8	\$ 31,000.00
			50H09D, Council District 9	\$ 31,000.00
			50H10D, Council District 10	\$ 31,000.00
			50H11D, Council District 11	\$ 31,000.00
			50H12D, Council District 12	\$ 31,000.00
			50H13D, Council District 13	\$ 31,000.00
			50H14D, Council District 14	\$ 31,000.00
			50H15D, Council District 15	\$ 31,000.00
		Subtotal		Subtotal
		\$ 465,000.00		\$ 465,000.00
Public Works Street Services	<u>Fund 305/50, Subventions and Grant Fund</u>		<u>Fund 100/86, Street Services</u>	
Misc. Location Access for Filming	RSC 381100, Reimbursement from Other Agencies	\$ 461.64	001090, Overtime	\$ 461.64
Transportation	<u>Fund 484/94, ATSAC Trust Fund</u>	\$ 376,286.00	<u>Fund 484/94 ATSAC Trust Fund</u>	
ATSAC, Various	RSC 490300, Accumulated Interest		94H194 Transportation	\$ 2,500.00
			TBD ATSAC Operation Center Enhancements	\$ 164,000.00
			TBD ATSAC Space Needs Assessment Study	\$ 60,000.00
			TBD Reimbursement-Local Transportation Fund	\$ 149,786.00
		Subtotal		Subtotal
		\$ 376,286.00		\$ 376,286.00
Sign Fabrication/Fund Admin	<u>Fund 49C/94, Permit Parking Revenue Fund</u>		<u>Fund 49C/94, Permit Parking Revenue Fund</u>	
	Available Cash	\$ 78,000.00	TBD, Sign Fabrication	\$ 50,000.00
			TBD, Office Supplies	\$ 3,000.00
			TBD, Technology and Software	\$ 25,000.00
		Subtotal		Subtotal
		\$ 78,000.00		\$ 78,000.00
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 1,199,747.64		\$ 1,199,747.64

Attachment 2
TRANSFERS BETWEEN ACCOUNTS WITHIN DEPARTMENTS AND FUNDS

REQUESTING DEPARTMENT	FUND/ACCOUNT	TRANSFER FROM	AMOUNT	FUND/ACCOUNT	TRANSFER TO	AMOUNT
Finance	<u>Fund 100/39, Finance</u>			<u>Fund 100/39, Finance</u>		
<i>SCM funded ERIP payouts</i>	008140, Early Retirement Incentive Program Payout		\$ 5,700.00	001010, Salaries General		\$ 5,700.00
Fire	<u>Fund 100/38, Fire</u>			<u>Fund 100/38, Fire</u>		
<i>Sick Time Deficit</i>	001012, Salaries Sworn		\$ 311,000.00	001050, Unused Sick Time		\$ 311,000.00
Library	<u>Fund 300/44, Library</u>			<u>Fund 300/44, Library</u>		
<i>Salaries, As Needed deficit</i>	001010, Salaries, General		\$ 125,000.00	001070, Salaries, As Needed		\$ 125,000.00
<i>Transportation deficit</i>	<u>Fund 300/44, Library</u>			<u>Fund 300/44, Library</u>		
	001010, Salaries, General		\$ 5,000.00	003310, Transportation		\$ 5,000.00
Police	<u>Fund 100/70, Police</u>			<u>Fund 100/70, Police</u>		
<i>Salaries General Deficit</i>	001012, Sworn Salaries		\$ 4,000,000.00	001010, General Salaries		\$ 4,000,000.00
<i>Field Equipment Expense Deficit</i>	<u>Fund 100/70, Police</u>			<u>Fund 100/70, Police</u>		
	003040, Contractual Services		\$ 1,300,000.00	003090, Field Equipment Expense		\$ 1,800,000.00
	003110, Institutional Supplies		100,000.00			
	003310, Transportation		70,000.00			
	004430, Uniforms		130,000.00			
	006010, Office and Administrative		200,000.00			
	Subtotal		\$ 1,800,000.00	Subtotal		\$ 1,800,000.00
Transportation	<u>Fund 207/94, Local Transportation Fund</u>			<u>Fund 20794, Local Transportation Fund</u>		
<i>San Fernando Bike Path Contract</i>	94G184, Street Lighting		\$ 562.68	94G289, San Fernando Road Bike Path		\$ 1,619,248.17
	94G186, Street Services		\$ 1,618,685.49			
	Subtotal		\$ 1,619,248.17	Subtotal		\$ 1,619,248.17
<i>4th St and Lorena Bridge Change Order</i>	<u>Fund 540/94, Proposition C Anti-Gridlock Fund</u>			<u>Fund 540/94, Proposition C Anti-Gridlock Fund</u>		
	94H656, Transportation Grant Fund Work Program		\$ 80,000.00	TBD, Bridge Program		\$ 80,000.00
Human Resource Benefits	<u>Fund 100/61, Human Resource Benefits</u>			<u>Fund 100/61, Human Resource Benefits</u>		
<i>Police Health and Welfare deficit</i>	009100, Unemployment Insurance		\$ 205,000.00	009220, Police Health and Welfare		\$ 360,000.00
	009210, Fire Health and Welfare		\$ 155,000.00			
	Subtotal		\$ 360,000.00	Subtotal		\$ 360,000.00
TOTAL ALL DEPARTMENTS AND FUNDS			\$ 8,305,948.17			
				\$ 8,305,948.17		

Attachment 3
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
City Administrative Officer <i>Risk management</i>	<u>Fund 46S10, Insurance Premiums Special Fund</u>		<u>Fund 100/10 City Administrative Officer</u>	
	0230, Insurance Premiums	\$ 116,290.00	1010 Salaries General	\$ 100,000.00
			6010 Office and Administrative Expense	\$ 16,290.41
	Subtotal	\$ 116,290.00	Subtotal	\$ 116,290.41
 <i>Debt management</i>	<u>Fund 100/53, Capital Finance Administration Fund</u>		<u>Fund 100/10 City Administrative Officer</u>	
	000306, MICLA AK	\$ 191,741.00	1010 Salaries General	\$ 100,000.00
			6010 Office and Administrative Expense	\$ 91,740.73
	Subtotal	\$ 191,741.00	Subtotal	\$ 191,740.73
Cultural Affairs <i>As-Needed deficit</i>	<u>Fund 844/30, Cultural Affairs Trust Fund</u>		<u>Fund 100/30, Cultural Affairs</u>	
	30003A, Watts Towers Conservation Program	\$ 157,000.00	001070, Salaries As-Needed	\$ 157,000.00
Finance <i>Reimbursement for Accounting Assistance from PP15-PP17</i>	<u>Fund 100/39, Finance</u>		<u>Fund 100/26, Controller</u>	
	001010, Salaries General	\$ 5,003.99	001070, Salaries As-Needed	\$ 5,003.99
Fire <i>Helicopter Pilot Training</i>	<u>Fund 40J/38, Fire</u>		<u>Fund 100/70, Police</u>	
	3840JB, State Educational Account	\$ 60,000.00	001092, Overtime Sworn	\$ 60,000.00
General Services <i>Wastewater mailing</i>	<u>Fund 760/50, Sewer Operations Maintenance</u>		<u>Fund 100/40, General Services</u>	
	50H082, Sanitation-Operation Related	\$ 165,000.00	009130, Mail Services	\$ 165,000.00
Public Works Street Lighting <i>Sun Valley Lighting Imprvt Ph. 3</i>	<u>Fund 100/84, Street Lighting</u>		<u>Fund 100/76, Street Lighting</u>	
	003040, Contractual Services (Fund 424/22)	\$ 25,000.00	001010, Salaries General	\$ 25,000.00
Transportation <i>ATSAC Trust Fund Work Orders</i>	<u>Fund 484/94 ATSAC Trust Fund</u>		<u>Fund 100/94 Transportation</u>	
	94H194 Transportation	\$ 2,500.00	001090, Overtime	\$ 2,500.00
 <i>Measure R funded Work Orders</i>	<u>Fund 51Q/94 Measure R</u>		<u>Fund 100/94 Transportation</u>	
	94H306, Bicycle Plan/Program	\$ 600,000.00	001010, Salaries-General	\$ 561,000.00
			001090, Salaries-Overtime	\$ 170,943.37
	<u>Fund 207/94, Local Transportation Fund</u>			
	94314F, Bikeways Program	\$ 108,325.46		
	94314A, Bikeways Program	\$ 23,617.91		
	Subtotal	\$ 731,943.37	Subtotal	\$ 731,943.37
 <i>Coin canisters and carts repair</i>	<u>Fund 363/94 Special Parking Revenue Fund</u>		<u>Fund 100/40, Department of General Services</u>	
	94H070, Replacement Parts, Tools, and Equipment	\$ 8,500.00	001014, Construction Salaries	\$ 4,500.00
			003180, Construction Materials and Supplies	\$ 4,000.00
	Subtotal	\$ 8,500.00	Subtotal	\$ 8,500.00

Attachment 3
TRANSFERS BETWEEN DEPARTMENTS AND FUNDS

REQUESTING DEPARTMENT	TRANSFER FROM		TRANSFER TO	
	FUND/ACCOUNT	AMOUNT	FUND/ACCOUNT	AMOUNT
Capital Finance Administration <i>Proposed Event Center Project</i>	<u>Fund 100/53, Capital Finance Administration</u> 000339 Proposed Event Center Project	\$ 100,000.00	<u>Fund 100/26, Controller</u> 003040, Contractual Services	\$ 100,000.00
TOTAL ALL DEPARTMENTS AND FUNDS		\$ 1,562,978.36		\$ 1,562,978.50

Attachment 4

**FY 2011-12 BUDGET ADJUSTMENTS
APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE**

DEPT	APPROPRIATE FROM:	APPROPRIATE TO:	AMOUNT
Controller <i>Annual City Audit/Single Audit</i>	<u>Fund 100/58, Unappropriated Balance</u> 000037, Reserve for Economic Uncertainties	<u>Fund 100/56, General City Purposes</u> 000506, Annual City Audit/Single Audit	\$ 985,000.00
Emergency Management <i>City Disaster Planning</i>	<u>Fund, 100/58, Unappropriated Balance</u> 000159, City Disaster Planning Study	<u>Fund 392/34, Emergency Operations Fund</u> 003040, Contractual Services	\$ 500,000.00
Finance <i>Bank Fee Deficit</i>	<u>Fund 100/58, Unappropriated Balance</u> 000037, Reserve for Economic Uncertainties	<u>Fund 100/39, Finance</u> 004040, Bank Service Fees	\$ 1,000,000.00
General Services <i>Petroleum Deficit</i>	<u>Fund 100/58, Unappropriated Balance</u> 000037, Reserve for Economic Uncertainties	<u>Fund 100/40, General Services</u> 003230, Petroleum Products	\$ 3,000,000.00
TOTAL APPROPRIATIONS FROM THE UNAPPROPRIATED BALANCE			\$ 5,485,000.00